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5 In the Matter of

6 THE APPLICATION REGARDING
7 THE CONVERSION AND
8 ACQUISITION OF CONTROL OF
9 PREMERA BLUE CROSS AND ITS
10 AFFILIATES

No. G02-45

OIC STAFF'S RESPONSE TO
PREMERA'S COMMENTS ON THE
COMMISSIONER'S SIXTEENTH
ORDER

11 On October 3, 2003, the Commissioner issued his Sixteenth Order: Notice Regarding
12 Public Hearing Procedures and Setting Conference. After 5:00 pm on October 7, 2003,
13 Premera filed comments relating to the Order that included proposals for consideration by the
14 Commissioner at the conference scheduled for October 8, 2003. At that conference, the OIC
15 Staff responded to Premera's comments and the Commissioner allowed submission of written
16 responses by close of business on October 9, 2003.

17 1. Premera has proposed that the OIC Staff submit proposed final executive
18 summaries of the consultants' final reports to Premera by noon on October 22, 2003. This is
19 five days prior to the deadline established by the Commissioner in his Thirteenth Order. It
20 assumes that the consultants will have completed their final reports prior to October 22nd since
21 the executive summaries will be based upon those reports. It does not take into consideration
22 that a proper response to Premera's suggested amendments to the draft reports to address
23 factual errors or any amendments to the Form A, both due on October 15th, may not be
24 susceptible of completion before October 27th. The OIC Staff requests that the current
25 deadlines not be modified at this time.
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2. Premera’s proposal also appears to assume that the Commissioner intended that the executive summaries and final reports, subject to redaction, be made public on October 27th. Although this inference may be drawn from language contained in paragraph 3 of the Sixteenth Order, the Commissioner did not expressly establish October 27th as the date the summaries and reports are to be made public. Rather, the Commissioner stated that “[a]fter submission to the Commissioner, the public information in the final reports will be placed on the OIC website.” This statement is consistent with the OIC Staff’s understanding of the process for making the summaries and reports public. The OIC Staff expects that Premera and the OIC Staff will utilize the time between October 15th and October 27th to sort out any issues relating to Premera’s recommended redactions to facilitate, first, the public disclosure of the executive summaries and, reasonably promptly thereafter, disclosure of the public information contained in the final reports in time for use by the public during the hearings in which the Commissioner will accept public testimony. Prior to disclosure to the public, the executive summaries and final reports, both redacted and unredacted versions, will be submitted to the Commissioner.

DATED this day of October, 2003.

Respectfully submitted,

OFFICE OF INSURANCE COMMISSIONER
STATE OF WASHINGTON

By: _____
John F. Hamje
Staff Attorney WSBA #32400
Legal Affairs Division
Office of Insurance Commissioner
360-725-7046
360-586-3109 (Facsimile)

CERTIFICATE OF SERVICE

Pursuant to WAC 10-08-110(3), I certify under penalty of perjury under the laws of the State of Washington that this instrument was served upon all parties of record in this proceeding by transmitting a copy thereof by FAX, and, on the same day, mailing a copy thereof, properly addressed with postage prepaid, to the attorney for each party to the proceeding.

Dated: _____, 2003
At Tumwater, Washington

John F. Hamje